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MEMORANDUM

— AND —

Articles of Association

— OF THE —

CANADIAN PACIFIC

NAVIGATION COMPANY,

(LIMITED.)

INCORPORATED UNDER THE COMPANIES' ORDINANCE, 1869.

EUGENE P. MILLER,
PRINTER AND BOOKBINDER, VICTORIA, B. C.
1898.



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MEMORANDUM

Articles of Association

CANADIAN PACIFIC

NAVIGATION COMPANY

MEMORANDUM OF ASSOCIATION
— OF THE —
CANADIAN PACIFIC NAVIGATION COMPANY,
LIMITED.

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1st. The name of the Company is the "CANADIAN PACIFIC NAVIGATION COMPANY, Limited."

2nd. The registered office of the Company will be situate in the Province of British Columbia, Dominion of Canada.

3rd. The objects for which the Company is established are for the purchase of vessels, and the conveyance of goods and passengers in ships and boats between such places as the Company may from time to time determine, and to do all such other things as are incidental or conducive to the attainment of the above objects.

4th. The liability of the members is limited.

5th. The capital of the Company is Five Hundred Thousand Dollars divided into Five Thousand Shares of One Hundred Dollars each.

We, the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

173457

NAMES.	ADDRESSES.	DESCRIPTION.	No. of Shares taken by each Subscriber.
William Charles,	Victoria, B. C.	Inspecting Chief Factor, H. B. Co.	One.
Alexander Munro,	"	Chief Factor H.B.Co	"
Jno. Irving.	New Westminster	Steamer Owner	"
R. P. Rithet,	Victoria, B. C.,	Merchant	"
Peter McQuade,	"	Ship Chandler	"
Wm. Spring,	"	Trader.....	"
M. W. T. Drake,	"	Barrister-at Law...	"

Dated the 11th day of January, A. D. 1883.

Witness to the above Signatures.

D. N. FINLAYSON,

Clerk to Drake & Jackson, Victoria, B.C.



AN ACT RESPECTING
— THE —
CANADIAN PACIFIC NAVIGATION COMPANY,
LIMITED.

Assented to 28th May, 1898.

WHEREAS the Canadian Pacific Navigation Company, Limited, hereinafter called the Company, by its petition has prayed for the passing of an Act to confer additional powers on the Company, and it is expedient to grant the prayer of the said petition;

THEREFORE, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia enacts as follows:

1. In addition to the powers and authorities at present possessed by the Company, they are hereby authorized and empowered:

(a) To purchase, charter, hire, build or otherwise acquire steamships and other vessels of any description and to employ the same in the conveyance of passengers, mails, cattle, produce and merchandise of all kinds, and in towing vessels of all kinds, and lumber, between any parts of British Columbia, and elsewhere as may seem expedient and to acquire any postal or other subsidies:

(b.) To carry on all or any of the businesses of ship owners, carriers by land and water, warehousemen, wharfingers, dock owners, lightermen, forwarding agents store-keepers and general traders and merchants:

(c.) To carry on any other business which may seem to the Company capable of being conveniently carried

on and which may be calculated, directly or indirectly, to enhance the value and render profitable any of the Company's property or rights:

(d.) To purchase lands, construct, acquire and hold such lands, wharves, warehouses, stores and other buildings as may be found necessary or convenient for the purposes of the Company.

(e.) To sell and dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects the same or in any part similar to those of this Company. Provided that such sale or disposition shall be sanctioned at a general or special meeting of the Company by votes of shareholders representing a majority in value of the fully paid up capital stock of the Company, which meeting shall be held in the City of Victoria, and of which meeting at least one month's notice, signed by the Secretary, or in the event of his death or absence by the acting Secretary, or if there be neither Secretary nor acting Secretary, then by one of the Directors, shall be published in at least four issues of the British Columbia Gazette, and of some newspaper published in the said City of Victoria. Provided always, that nothing herein contained shall be construed or allowed to prejudice any claim against the Company.

(f.) Generally to purchase, take on lease or exchange, hire, or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any of its ships, vessels, boats, land, water or foreshore rights, buildings, easements, machinery, plant and stock in trade:

(g.) To enter into any agreement with the Government (Dominion or Provincial), or any authority, municipal, local or otherwise that may seem conducive to the Company's objects, or any of them, and obtain from any such Government or authority, any rights, privileges and concessions, and to acquire any subsidies, charters, rights, privileges, or concessions which the Company may think it desirable to obtain and carry out and exercise and comply with, or if they deem it advisable, dispose of any such arrangements, charters, rights, privileges and concessions:

(h.) To build, maintain, equip and operate telegraph and telephone lines wherever, in the interests of the Company, it may be desirable or expedient to do so and to establish offices in connection therewith and to trans-messages for the public and charge tolls for the same:

(i.) To borrow or raise money for any purpose of the Company, and for the purpose of securing the same and interest, or for any other purpose, to mortgage or charge or otherwise make or give any assurance of the undertaking, or all or any part of the property of the Company, present or after acquired, or its uncalled capital, and to create, issue, make, draw, accept and negotiate perpetual or redeemable debentures or debenture stock, promissory notes, bills of exchange, bills of lading, warrants, obligations and other negotiable and transferable instruments:

(j.) To purchase, lease, or otherwise acquire the undertaking of the Alice Arm Railway Company, and the undertaking of any railway or Tramway Company which is or shall be empowered to operate a railway or tramway in the Province of British Columbia, and the rights, privileges, franchises and concessions granted to or conferred upon, or to be granted to or conferred upon any

such Company, and operate any such undertaking, and hold, exercise and enjoy all such rights, privileges, franchises and concessions: and to make any traffic or other arrangement for operating any such railway or tramway in connection with or as a part of the undertaking of the Canadian Pacific Navigation Company, Limited.

2. The Company may make traffic or other arrangements with any railroad, steamboat or navigation company whose line or railway or undertaking communicates with or is contiguous to that of the Company or may be conveniently operated therewith, and may enter into an agreement with such other Company or Companies for conveying or leasing to the Company such railway or undertaking in whole or in part, together with such rights or powers as may be possessed by them respectively or for amalgamating with such Company or Companies upon such terms and conditions as may be agreed upon.

3. The capital stock of the Company may be increased from time to time to any amount, if such increase be sanctioned by a vote in person or by proxy of the shareholders representing two-thirds in value of the subscribed capital of the Company, such sanction to be given at a meeting called expressly by the Directors for that purpose, by a notice published in the British Columbia Gazette for thirty days, and a notice in writing to each shareholder, delivered to him personally, or properly directed to him at his last known place of abode, and deposited in the Post Office at least thirty days previously to such meeting, stating the time and place and object of such meeting and the amount of the proposed increase, and the proceedings of such meeting shall be entered in the minutes of the proceedings of the Company, and thereupon the capital stock may be increased to the amount sanctioned by such vote.

4. The Company may from time to time issue guaranteed or preferred stock at such price, to such amount, and upon such conditions as to the preferences and privileges attached thereto, or the different issues of classes thereof, and otherwise as shall be authorized by the majority in value of the shareholders, such authority to be given at an annual meeting, or at any special or general meeting thereof, called for the purpose, at which meeting shareholders representing at least two-thirds in value of the subscribed capital of the Company shall be present in person or by proxy; notice of intention to propose such issue at such meeting being given in the notice calling such meeting.

5. This Act may be cited as the "Canadian Pacific Navigation Company's Act, 1898."

ARTICLES OF ASSOCIATION

—OF THE—

CANADIAN PACIFIC NAVIGATION COMPANY, LIMITED.



SHARES.

1. If several persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividend payable in respect of such share.

2. Every member shall, on payment of one shilling or such less sum as the Company in general meeting may prescribe be entitled to a certificate, under the common seal of the Company, specifying the share or shares held by him, and the amount paid up thereon.

3. If such certificate is worn out or lost, it may be renewed on payment of one shilling or such less sum as the Company in general meeting may prescribe.

CALLS ON SHARES.

4. The Directors may, from time to time, make such calls upon the members in respect of all monies unpaid on their shares as they think fit, provided that twenty-one days' notice at least is given of each call; and each member shall be liable to pay the amount of calls so made to the persons and at the times and places appointed by the Directors.

5. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.

6. If the call payable in respect of any share is not paid before or on the day appointed for payment thereof, the holder for the time being of such share shall be liable to pay interest for the same at the rate of ten per cent. per annum, from the day appointed for the payment thereof, to the time of the actual payment.

7. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the monies due upon the shares held by him beyond the sum actually called for, and upon the monies so paid in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon.

TRANSFER OF SHARES.

8. The instrument of transfer of any share in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain a holder of such share until the name of the transferee is entered in the register book in respect thereof.

9. Shares in the Company shall be transferred in the following form:—

“ I, A. B., of _____, in consideration of the sum of _____, paid to me by C. D., of _____, do hereby transfer to the said C. D., the shares (or share) numbered _____, standing in my name in the books of the “CANADIAN PACIFIC NAVIGATION COMPANY, Limited,” to hold unto the said C. D., his executors, administrators and assigns, subject to the several conditions on which I held the same at the time of the execution hereof; And I the said C. D., do hereby agree to take the said shares (or share) subject to the conditions. As Witness our hands, the _____ day of _____ 18 ____.”

10. The Company may decline to register any transfer of shares made by a member who is indebted to them.

11. The transfer books shall be closed during the fourteen days immediately preceding the ordinary general meeting in each year.

TRANSMISSION OF SHARES.

12. The executors or administrators of a deceased member shall be the only persons recognized by the Company as having any title to his share.

13. Any person becoming entitled to a share in consequence of the death, bankruptcy, or insolvency of any member, or in consequence of the marriage of any female member, may be registered as a member upon such evidence being produced as may from time to time be required by the Company.

14. Any person who has become entitled to a share, in consequence of the death, bankruptcy, or insolvency of any member, or in consequence of the marriage of any female member, may instead of being registered himself, elect to have some person to be named by him registered as a transferee of such share.

15. The person so becoming entitled shall testify such election by executing to his nominee an instrument of transfer of such share.

16. The instrument of transfer shall be presented to the Company, accompanied with such evidence as the Directors may require to prove the title of the transferor, and thereupon the Company shall register the transferee as a member.

FORFEITURE OF SHARES.

17. If any member fails to pay any call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as the call remains unpaid, serve

a notice on him, requiring him to pay such call together with interest and any expenses that may have accrued by reason of such non-payment.

18. The notice shall name a further day on or before which such call any all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place and where payment is to be made, (the place so named being either the registered office of the Company, or some other place at which calls of the Company are usually made payable). The notice shall also state that in the event of non-payment at or before the time and at the place appointed the share in respect of which such call was made will be liable to be forfeited.

19. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which said notice has been given may at any time thereafter, before payment of all calls, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect.

20. Any share so forfeited shall be deemed to be the property of the Company, and may be disposed of in such manner as the Company in general meeting thinks fit.

21. Any member whose shares have been forfeited, shall, notwithstanding, be liable to pay to the Company all calls owing upon such shares at the time of the forfeiture.

22. A statutory declaration in writing that the call in respect of a share was made and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made by a resolution of the Directors to that effect, shall be sufficient evidence of the facts therein stated as against all persons entitled to such share and such declaration and the receipt of the Company for the price of such share, shall constitute a good title to such share,

and a Certificate of Proprietorship shall be delivered to the purchaser and thereupon he shall be deemed the holder of such share, discharged from all calls due prior to such purchase, and he shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity in the proceedings in reference to such sale.

CONVERSION OF SHARES INTO STOCK.

23. The Directors may, with the sanction of the Company previously given in general meeting, convert any paid-up shares into stock.

24. When any shares have been converted into stock, the several holders of such stock may thenceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which any shares, in the capital of the Company may be transferred, or as near thereto as circumstances admit.

25. The several holders of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock; and such interests shall in proportion to the amount thereof, confer on the holders thereof respectively the same privileges and advantages for the purpose of voting at meetings of the Company, and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company; but so that none of such privileges or advantages, except the participation in the dividends and profits of the Company, shall be conferred by such aliquot part of consolidated stock as would not, if existing in shares, have conferred such privileges or advantages.

INCREASE IN CAPITAL.

26. The Directors may, with the sanction of a special resolution of the Company previously given in general meet-

ing, increase its capital by the issue of new shares; such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company in general meeting directs, or if no direction is given, as the Directors think expedient.

27. Subject to any direction to the contrary that may be given by the meeting that sanctions the increase of capital all new shares shall be offered to the members in proportion to the existing shares to which the member is entitled and limiting a time within the offer, if not accepted, will be deemed to be declined; and after the expiration of such time or on the receipt of an intimation from the member to whom such notice is given that he declines to accept the shares offered, the Directors may dispose of the same, in such manner as they think most beneficial to the Company.

28. Any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the same provisions with reference to the payment of calls and the forfeiture of shares on non-payment of calls, or otherwise, as if it had been part of the original capital.

GENERAL MEETING.

29. The first General Meeting shall be held at such time, not being more than six months after the registration of the Company, and at such place as the Directors may determine.

30. Subsequent General Meetings shall be held at such time and place as may be prescribed by the Company in general meeting; and if no other or place is prescribed, a general meeting shall be held on the first Tuesday in February in every year, at such place as may be determined by the Directors.

31. The above mentioned general meetings shall be called Ordinary Meetings, all other general meetings shall be called Extraordinary.

32. The Directors may, whenever they think fit, and they shall upon a requisition made in writing by not less than one-fifth in number of the members of the Company, convene an Extraordinary General Meeting.

33. Any requisition made by the members shall express the object of the meeting proposed to be called, and shall be left at the registered office of the Company.

34. Upon the receipt of such requisition the Directors shall forthwith proceed to convene an Extraordinary General Meeting. If they do not proceed to convene the same within twenty-one days from the date of the requisition, the requisitionists or any other members, amounting to the required number may, themselves, convene an Extraordinary General Meeting.

PROCEEDINGS AT GENERAL MEETINGS.

35. Seven days' notice at the least, specifying the place, the day and the hour of meeting, and case of special business the general nature of such business, shall be given to the members in manner hereafter mentioned, or in such other manner, if any, as may be prescribed by the Company in general meeting, but the non-receipt of such notice by any member shall not invalidate the proceedings at any General Meeting.

36. All business shall be deemed special that is transacted at an extraordinary meeting, and all that is transacted at an ordinary meeting with the exception of sanctioning a dividend and the consideration of the accounts, balance sheets and the ordinary report of the Directors.

37. No business shall be transacted at any general meeting except the declaration of a dividend, unless a quorum of

members is present at the time when the meeting proceeds to business; and such quorum shall be ascertained as follows, that is to say: if the persons who have taken shares in the Company, at the time of the meeting, do not exceed ten in number, the quorum shall be five; if they exceed ten, there shall be added to the above quorum, one for every five additional members up to fifty, and one for every ten additional members after fifty with this limitation that no quorum shall in any case exceed twenty.

38. If, within one hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day, in the next week at the same time and place; and if at such adjourned meeting a quorum is not present it shall be adjourned *sine die*.

39. The Chairman (if any) of the Board of Directors shall preside as Chairman at every general meeting of the Company.

40. If there is no such Chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose some one of their number to be Chairman.

41. The Chairman may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

42. At any General Meeting, unless a poll is demanded by at least five members, a declaration by the Chairman that a resolution has been carried and an entry to that effect on the book of proceedings of the Company shall be sufficient

evidence of the fact, without proof of the number or proportion of the votes recorded in favor of or against such resolution.

43. If a poll is demanded by five or more members, it shall be taken in such manner as the Chairman directs, and the result of such poll shall be deemed to be the resolution of the Company in general meeting. In the case of an equality of votes at any General Meeting, the Chairman shall be entitled to a second or casting vote.

VOTES OF MEMBERS.

44. Every member shall have one vote for every share up to ten ; he shall have an additional vote for every five shares beyond the first ten shares up to one hundred, and an additional vote for every ten shares beyond the first hundred shares.

45. If any member is a lunatic or idiot he may vote by his committee, curator bonis, or other legal curator.

46. If one or more persons are jointly entitled to a share or shares, the member whose name stands first in the register of members as one of the holders of such share or shares, and no other, shall be entitled to vote in respect of the same.

47. No member shall be entitled to vote at any general meeting unless all calls due from him have been paid, and no member shall be entitled to vote in respect of any share that he has acquired by transfer at any meeting held after the expiration of three months from the registration of the Company unless he has been possessed of the share or shares in respect of which he claims to vote for at least three months previously to the time of holding the meeting at which he proposes to vote.

48. Votes may be given either personally or by proxy.

49. The instrument appointing a proxy shall be in writing, under the hand of the appointor, or if the appointor is a corporation, under their common seal, and shall be attested by one or more witness or witnesses. No person shall be appointed a proxy who is not a member of the Company.

50. The instrument appointing a proxy shall be deposited at the registered office of the Company not less than 72 hours before the time for holding the meeting at which the person named in such instrument proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

51. Any instrument appointing a proxy may be in the following form :

CANADIAN PACIFIC NAVIGATION COMPANY, Limited.

I, A. B., of _____, in the Province of British Columbia, being a member of the "CANADIAN PACIFIC NAVIGATION COMPANY, Limited," and entitled to _____ vote or _____ votes, hereby appoint C. D., of _____, as my proxy, to vote for me and on my behalf at the (ordinary or extraordinary as case may be) general meeting of the Company to be held on the _____ day of _____, 18____, and at any adjournment thereof (or at any meeting of the Company that may be held in the year). As witness my hand this _____ day of _____, 18____.

Signed by the said _____ in the presence of _____

DIRECTORS.

52. The number of Directors and the names of the first Directors shall be determined by the subscribers of the Memorandum of Association.

53. Until Directors are appointed the subscribers of the Memorandum of Association shall be deemed to be Directors.

54. The future remuneration of the Directors and their remuneration for services performed previously to the first general meeting shall be determined by the Company in general meeting.

POWER OF DIRECTORS.

55. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in getting up and registering the Company and may exercise all such powers of the Company as are not by the Companies' Act, 1862, and Companies' Ordinance, 1869, or by these articles required to be exercised by the Company in general meeting, subject nevertheless to any regulations of these articles to the provisions of the Companies' Act, 1862, and the Companies' Ordinance, 1869, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior Act of the Directors which would have been valid if such regulation had not been made.

56. The continuing Directors may act notwithstanding any vacancy in their body.

DISQUALIFICATION OF DIRECTORS.

57. The office of Director shall be vacated:

If he holds any other office or place of profit under the Company except that of Managing Director.

If he become bankrupt or insolvent.

If he is concerned in or participates in the profits of any contract with the Company.

But the above rules shall be subject to the following exceptions: That no Director shall vacate his office by reason of his being a member of any partnership or Company which has entered into contracts with or done any work

for the Company of which he is Director ; nevertheless, he shall not vote in respect of such contract or work, and if he does so vote, his vote shall not be counted.

ROTATION OF DIRECTORS.

58. At the first ordinary meeting after the registration of the Company the whole of the Directors shall retire from office ; and at the first ordinary meeting in every subsequent year one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to one-third shall retire from office.

59. The one-third or other nearest number to retire during the first and second years ensuing the first ordinary meeting of the Company shall, unless the Directors agree among themselves, be determined by ballot. In every subsequent year the one-third or other nearest number who have been longest in the office shall retire.

60. A retiring Director shall be re-eligible.

61. The Company at the General Meeting at which any Directors retire in manner aforesaid shall fill up the vacated offices by electing a like number of persons.

62. If at any meeting at which an election of Directors ought to take place the places of the vacating Directors are not filled up, the meeting shall stand adjourned till the same day in the next week at the same time and place, and if at such adjourned meeting the places of the vacating Directors are not filled up, the vacating Directors, or such of them as have not had their places filled up, shall continue in office until the ordinary meeting in the next year, and so on from time to time until their places are filled up.

63. The Company may, from time to time, in general meeting increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

64. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, but any person so chosen shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred.

65. The Company in General Meeting may, by a special resolution, remove any Director before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF DIRECTORS.

66. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Questions arising at any meeting shall be decided by a majority of votes; in case of an equality of votes, the Chairman shall have a second or casting vote. Two Directors may at any time summon a meeting of the Directors.

67. The Directors may elect a Chairman of their meeting and determine the period for which he shall hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present at the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such meeting.

68. The Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit; any Committee so formed shall in the exercises of the powers so delegated, conform to any regulations that may be imposed upon them by the Directors.

69. A Committee may elect a Chairman of their meetings if no such Chairman is elected, or if he is not present at the time appointed for holding the same, the members present shall choose one of their number to be Chairman of such meeting.

70. A Committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of any equality of votes, the Chairman shall have a second or casting vote.

71. All acts done by any meeting of the Directors or of a Committee of Directors, or by any person acting as Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

DIVIDENDS.

72. The Directors may, with the sanction of the Company in General Meeting, declare a dividend to be paid to the members in proportion to their shares.

73. No dividend shall be payable except out of the profits arising from the business of the Company.

74. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sum as they think proper as a reserved fund to meet contingencies, or for equalizing dividends, or for repairing or maintaining the works connected with the business of the Company or any part thereof, and the Directors may invest the sum so set apart as a reserved fund upon such securities as they may select.

75. The Directors may deduct the dividends payable to any member all such sums of money as may be due from him to the Company on account of calls or otherwise.

76. Notice of any dividend that may have been declared shall be given to each member in manner hereinafter mentioned, and all dividends unclaimed for three years after having been declared may be forfeited by the Directors for the benefit of the Company.

77. No dividend shall bear interest as against the Company.

ACCOUNTS.

78. The Directors shall cause true accounts to be kept of the stock in trade of the Company.

Of the sums of money received and expended by the Company, and the matter in respect of which such receipt and expenditure takes place and of the credits and liabilities of the Company.

The books of account shall be kept at the registered office of the Company and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed by the Company in General Meeting; shall be open to the inspection of the members during the hours of business.

79. Once at least in every 6 months the Directors shall lay before the Company in General Meeting a statement of the income and expenditure for the past year, made up to a date not more than three months before such meeting.

80. The statement so made up shall shew, arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expense of the establishment, salaries and

other like matters. Every item of expenditure fairly chargeable against the income shall be brought into account so that a just balance of profit and loss may be laid before the meeting; and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated with the addition of the reasons why only a portion of such expenditure is charged against the income of the half year.

81. A balance sheet shall be made out every 6 months and laid before the Company in General Meeting, and such balance sheet shall contain a summary of the property and liabilities of the Company arranged under the heads appearing in the form annexed to a table of the Companies' Act, 1862, or as near thereto as circumstances admit.

AUDITS.

82. Once at the least in every year the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by one or more auditor or auditors.

83. The first auditors shall be appointed by the Directors, subsequent auditors shall be appointed by the Company in General Meeting.

84. If one auditor only is appointed, all the provisions herein contained relating to auditors shall apply to him.

85. The auditors may be members of the Company, but no person is eligible as an auditor who is interested otherwise than as a member in any transaction of the Company, and no Director or other officer of the Company is eligible during his continuance in office.

86. The election of auditors shall be made by the Company at their ordinary meeting in each year.

87. The remuneration of the first auditors shall be fixed by the Directors, that of subsequent auditors shall be fixed by the Company in General Meeting.

88. Any auditor shall be re-eligible on his quitting office,

89. If any casual vacancy occurs in the office of any auditor appointed by the Company the Directors shall forthwith call an extraordinary General Meeting for the purpose of supplying the same.

90. Every auditor will be supplied with a copy of the balance sheet, and it shall be his duty to examine the same with the accounts and vouchers relating thereto.

91. Every auditor shall have a list delivered to him of all books kept by the Company, and shall at all reasonable times have access to the books and accounts of the Company, he may at the expense of the Company employ accountants or other persons to assist him in investigating such accounts, and he may in relation to such accounts examine the Directors or any other officer of the Company.

92. The auditors shall make a report to the members upon the balance sheet and accounts, and in every such report they shall state whether in their opinion the balance sheet is a full and fair balance sheet, containing the particulars required by these regulations and properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, and in case they have called for explanations or information from the Directors, whether such explanation or information have been given by the Directors and whether they have been satisfactory, and such report shall be read together with the report of the Directors at the ordinary meeting.

NOTICES.

93. A notice may be served by the Company upon any member either personally or by sending it through the post in a pre-paid letter addressed to such member at his registered place of abode.

94. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and notice so given shall be sufficient notice to all the holders of such share.

95. Any notice, if served by post, shall be deemed to have been served at the time when the letter containing the same would be delivered in the ordinary course of the post, and in proving such service it shall be sufficient to prove that the letter containing the notices was properly addressed and put in the post office.

96. THIS INDENTURE, made the eleventh day of January, one thousand eight hundred eighty-three, between the Governor and Company of adventurers of England, trading into Hudson Bay, hereinafter called the said Company, of the first part, W S Chandler, and Nellie, his wife, formerly Nellie Irving, of the second part, William Black Kyle, of the third part, and R. P. Rithet, of the fourth part, WHEREAS, the said Company are the registered owners of the S.S. "Otter," "Enterprise" and "Princess Louise," now employed in British Columbia; AND WHEREAS, W. B. Kyle is the registered owner of the stern wheel steamers "R. P. Rithet," "Wm. Irving" and "Western Slope," and the said Nellie Chandler under the name of Nellie Irving is the registered owner of the steamer "Reliance;" AND WHEREAS, negotiations have been entered into for the purpose of forming a Joint Stock Company to be called "THE CANADIAN PACIFIC NAVIGATION COMPANY, Limited," with a

capital of \$500,000 divided into 5,000 shares of \$100 each for the purpose of purchasing the steamers hereinbefore mentioned and for carrying on a freighting and passenger business in the waters of British Columbia; AND WHEREAS, it was also agreed that the wharves of the said Company in Victoria with the sheds thereon should be leased by said Company to the proposed Company for a period of ten (10) years upon the terms and conditions hereinafter mentioned. NOW THIS INDENTURE WITNESSETH, that in pursuance of the said agreement and for the purpose of carrying the same into effect, the said Company hereby covenant and agree with R. P. Rithet, his executors, administrators and assigns, that they the said Company shall and will as soon as THE CANADIAN PACIFIC NAVIGATION COMPANY, Limited, shall be duly formed and registered as a Joint Stock Company under the provisions of "The Joint Stock Company's Ordinance, 1869," of British Columbia, or such person or persons as they may appoint, execute a transfer or transfers of the steamers "Otter," "Enterprise" and "Princess Louise," with their and each of their tackle, apparel, furniture and effects in consideration of one thousand one hundred and fifty fully paid-up shares of the said intended Company, and which shares the said Company hereby agree to accept as full payment for the said several steamers "Otter," "Enterprise" and "Princess Louise;" and the said Company further covenant and agree with the said R. P. Rithet that the said several steamers "Otter," "Enterprise" and "Princess Louise" are free from incumbrances, and that all expenses of transfer and registration shall be borne by the said proposed Company; and the said Company further agree that they will pay or cause to be paid to the said proposed Company a sum not exceeding the sum of fifteen thousand seven hundred dollars (\$15,700) for or towards the expense of new boilers for the said steamer "Princess Louise" as soon as such boilers shall be placed in the said vessel, and the said

Company further covenant and agree with the said R. P. Rithet, his executors, administrators and assigns, that the said Company shall and will as soon as the said proposed Company is registered, make and execute to the said proposed Company a lease of their wharves, sheds and docks at Victoria, B. C., for a period of ten (10) years at the annual rental for the first five (5) years of the term of four thousand eight hundred (\$4,800) dollars, payable monthly, and for the remainder of the said term at such rent as may be agreed upon at the expiration of the first period of five (5) years, or in case the parties differ, as may be ascertained by arbitration in the usual way; and in the said lease is to be contained a covenant by the said Company to keep the wharves and sheds in good repair, and the said Company are to have liberty to land and ship all goods belonging to them or for the use of their posts in British Columbia, or elsewhere free of charge for wharfage or dockage with all other usual covenants in leases of a similar nature, and with a proviso or cesser of rent in case the said wharves and sheds shall be unfit for use; AND THIS INDENTURE FURTHER WITNESSETH, that in further pursuance of the said agreement the said parties hereto of the second and third parts do hereby for themselves, their heirs, executors and administrators, covenant with the said R. P. Rithet, his executors and assigns, that they the said parties hereto of the second and third parts, shall and will as soon as the said proposed Company shall be completely registered as aforesaid execute to the said proposed Company, or to such person or persons as they shall appoint, a transfer or transfers of the steamers "R. P. Rithet," "Western Slope," "Wm. Irving" and "Reliance," their tackle, apparel and furniture free from incumbrances in consideration of one hundred and six thousand seven hundred (\$106,700) dollars, ninety thousand (\$90,000) dollars thereof to be paid in fully paid-up shares of the said proposed Company, and as to sixteen thousand seven

hundred (\$16,700) dollars in cash ; and it is further agreed and declared that in case the steamships "Princess Louise," "Otter" and "Enterprise," or any or either of them, shall be destroyed before the transfer to the proposed Company shall be completed, then and in such case the number of fully paid-up shares to be delivered to the said Company, or their assigns, shall be reduced in the following proportions, namely: "Princess Louise," 750 shares; "Otter," 150 shares; "Enterprise," 250 shares; and if the steamers "R. P. Rithet," "William Irving" or "Reliance," or any or either of them, shall be destroyed before the transfer to the said proposed Company shall be completed, then and in such case the number of fully paid-up shares of the said proposed Company to be delivered to the parties of the second and third parties respectively, or their respective assigns, shall be reduced in the following proportions, namely: "R. P. Rithet," 500 shares; "William Irving," 300 shares; "Reliance," 100 shares; and the said party of the second part hereby covenants and agrees that the steamer "Reliance" shall be repaired and placed in good running order at the expense of the party of the second part: provided always, and it is hereby agreed and declared that in case "THE CANADIAN PACIFIC NAVIGATION COMPANY, Limited," shall not be formed and completely registered within thirty days from the date hereof, then and in such case this indenture and every matter and thing herein contained shall be void and of no effect. In Witness whereof the said parties hereto have hereunto set their hands and seals the day and year first above written.

WILLIAM CHARLES,
WM. S. CHANDLER,
NELLIE CHANDLER,
W. B. KYLE,
R. P. RITHET.

The following Resolution was passed at an Extraordinary General Meeting, 30th May, 1883, and confirmed at an Extraordinary General Meeting, 15th June, 1883:

Resolved, That the words "six months" in Articles 79 and 81 of the Articles of Association be struck out, and the word "year" be substituted in lieu thereof; and that the word "half" in Article 80 be struck out.